



Glossary

Credit at risk ratio⁽¹⁾

Ratio between loans and advances to customers at risk (gross) and total loans and advances to customers (gross).

Credit at risk ratio, net⁽¹⁾

Ratio between loans and advances to customers at risk and total loans and advances to customers, both aggregates net of accumulated impairment on loans and advances to customers (on Balance Sheet).

Credit more than 90 days overdue ratio

Ratio between the loans and advances to customers with instalments of principal or interest more than 90 days overdue and the total loans and advances to customers balance.

Cost-to-income⁽¹⁾

Ratio between operating costs and the sum of total operating income and results of associated companies.

Cost of credit risk

Ratio between Credit impairment (net) (P&L) and the average loans and advances to customers balance (gross and average of the last 13 monthly observations).

Coverage ratio on credit at risk

Ratio between accumulated impairment on loans and advances to customers (Balance Sheet) and loans and advances to customers at risk.

Coverage ratio on Non-performing credit

Ratio between accumulated impairment on loans and advances to customers (Balance Sheet) and loans and advances to customers in default.

Coverage ratio on credit more than 90 days overdue

Ratio between accumulated impairment on loans and advances to customers (Balance Sheet) and loans and advances to customers more than 90 days overdue.

Employee costs / total operating income⁽¹⁾

Ratio between employee costs and total operating income.

**Gross return on assets (ROA) ^{(1) (3)}**

Ratio between income before tax and non-controlling interests and average net assets (average of the last 13 monthly observations).

Gross return on equity (ROE) ⁽¹⁾⁽³⁾

Ratio between income before tax and non-controlling interests and average shareholders' equity (average of the last 13 monthly observations).

Loans-to-deposits ratio⁽¹⁾

Ratio between total loans and advances to customers net of accumulated impairment on loans and advances to customers (on Balance Sheet) and customer deposits.

Net interest income

Interest and similar income net of interest and similar costs.

Net interest income including income from equity instruments

Net interest income plus income from equity instruments.

Net operating income

Net operating income before impairments net of provisions and impairments.

Net operating income before impairments

Total operating income net of operating costs.

Net return on assets (ROA)⁽³⁾

Ratio between income after tax and non-controlling interests and average net assets (average of the last 13 monthly observations).

Net return on equity (ROE)⁽³⁾

Ratio between income after tax and non-controlling interests and average shareholders' equity (average of the last 13 monthly observations).

Non-interest income

Sum of net fees and commissions, net trading income and other operating income.

Non-performing credit ratio⁽¹⁾

Ratio between loans and advances to customers in default (gross) and total loans and advances to customers (gross).



Non-performing credit ratio, net⁽¹⁾

Ratio between loans and advances to customers in default and total loans and advances to customers, both aggregates net of accumulated impairment on loans and advances to customers (Balance Sheet).

Operating costs

Sum of employee costs, administrative costs and depreciation and amortization for the period.

Operating costs / average net assets

Ratio between operating costs and average net assets (average of the last 13 monthly observations).

Overdue credit ratio

Ratio between the loans and advances to customers with overdue instalments of principal or interest and the total loans and advances to customers balance.

Restructured credit ratio⁽²⁾

Ratio between restructured and total loans and advances to customers.

Restructured credit ratio not included in credit at risk⁽²⁾

Ratio between restructured loans and advances to customers not included in loans and advances to customers at risk and total loans and advances to customers.

Net fees and commissions

Fees and commissions income net of fees and commissions expenses.

Securities investments

Sum of financial assets held for trading, financial assets at fair value through profit or loss, available for sale financial assets, financial assets held to maturity and financial assets with repurchase agreement.

Total operating income

Net interest income including income from equity instruments and non-interest income.

Total operating income / average net assets⁽¹⁾

Ratio between the sum of total operating income and income from associated companies and the average of net assets (average of the last 13 monthly observations).

⁽¹⁾ As defined by Bank of Portugal *Instruction 23/2012*.

⁽²⁾ As defined by Bank of Portugal *Instruction 32/2013*.

⁽³⁾ Income after tax: net income for the period attributable to the shareholder of CGD and net income for the period attributable to non-controlling interests.